

# Agency & Legislative Update

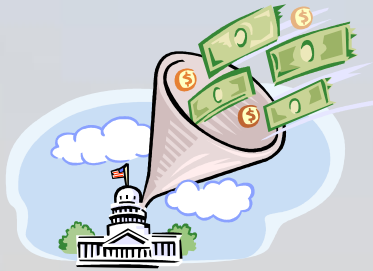
## State Aid Workshops

### May 2009



# Agenda

- ✿ Budget & Legislative Outcomes
- ✿ Annual SFA Data
- ✿ Program Information



# Economic Context

- State revenues are dependent on consumer expenditures, so revenues will recover only when consumer spending recovers
- State housing permit activity lagged the nation, but has now slowed sharply
- The decline in taxable activity is mostly in the automotive and construction related sectors
- The recession is expected to end in the third quarter of 2009, followed by weak growth into the middle of 2010

# Legislative Session

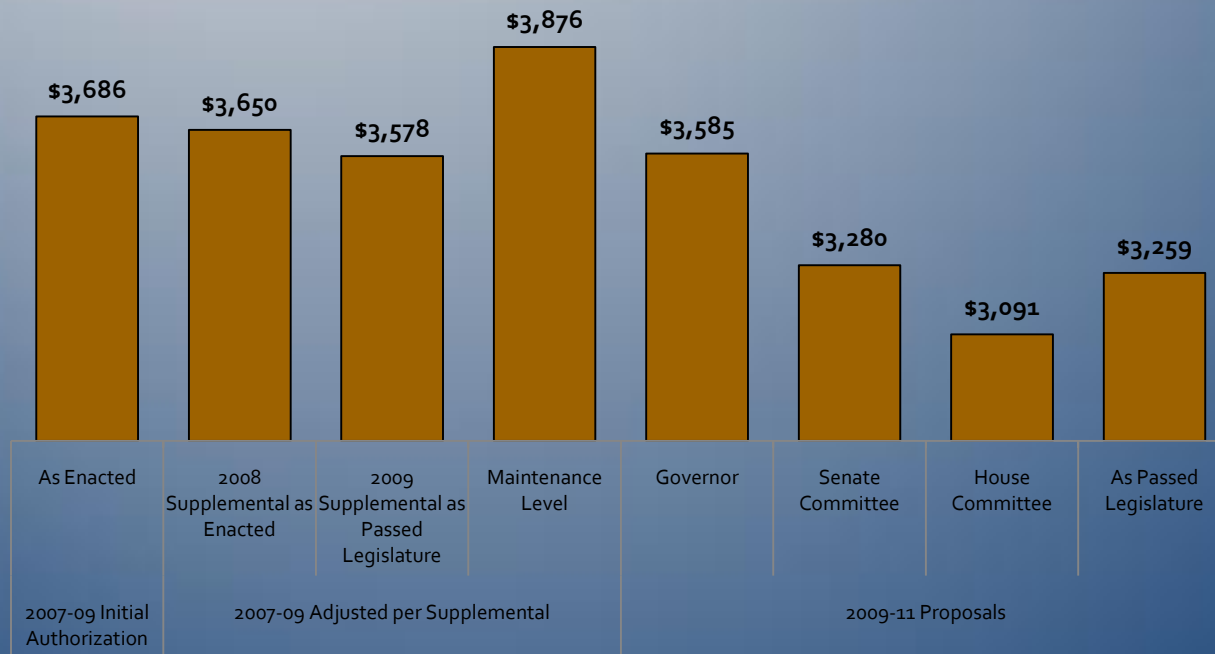
- The 2009 session completed April 26 after what many called the toughest session in many years
- Washington legislators were tasked with cutting approximately \$9 billion dollars from the 09-11 biennial budget
- Record number of bills delivered to governor - 586



# Biennial State Appropriations

- Higher education appropriations total \$3.3 billion – 10.4% of the total state budget (11.1% in 2007-09)
- \$427 million (or 11.6%) less than 2007-09 initial budget and \$617 million less than the “maintenance” level

## Higher Education



# Enrollments

## Total Enrollments for 2009-11

Sector	2009-2010	2010-2011
Research	58,796 FTE	59,412 FTE
Comprehensive	32,532 FTE	33,517 FTE
Community & Technical	139,237 FTE	139,237 FTE

- 7,083 fewer FTE student enrollments funded compared to 2008-09 budgeted levels
- No growth assumed over 2008-09 for CTCs
- Provisions require colleges to maintain and try to increase high demand enrollments



# 2009-11 Budget Results

- Authority to set tuition for all except resident undergraduates - SB 5734\*
- The previous cap of 7% through 2016-17 was suspended - HB 2344\*
  - Institutions required to notify students of tax credits
  - Public four-year may increase up to 14% for undergraduate students
  - CTC up to 7% (up to 14% in applied BA programs)
  - Requires the HECB in coordination with others to review options and make recommendations on tuition policy by November 1 examining:
    - Differential tuition by mission, hours, program, income, etc.
    - High tuition/high financial aid model

# Financial Aid Budget Results

**The Legislature and Governor are maintaining funding levels within state financial aid programs to help offset rising costs for the neediest students:**

- State Need Grant funding increased by \$16m in FY1 & \$25m in FY2
- State Work Study funding increased by \$2.5m for the biennia
- Both programs were reduced by anticipated stimulus funding (Pell & FWS)
- WA Scholar awards are prorated at 90% of tuition and fees
- College Bound Scholarship pre-payments suspended while noting the state's commitment is "guaranteed"
- With the exception of WA Center internships, all current programs were funded



# Budget Directives

- Requires institutions to dedicate 1/7<sup>th</sup> of tuition revenue above 7% to **financial aid** above 3.5% fund
- HECB directed to complete a **system design** planning project to define how the current system can be shaped & expanded over 10 years
- The public four-year institutions develop **performance agreements** for the next six years
- HECB & SBCTC review **performance measures** & targets
- **GET program** review by Office of State Actuary due in November
- Slots budgeted at **university centers** at Olympic & Peninsula
- BCC can offer **applied bachelors** in interior design
- Requirement for increased **math & science** teachers
- **Passport to College Promise** program for foster youth to be contracted to a scholarship organization for administration
- Examination of **foster youth** serving programs

# FA & Related Legislation

## **Opportunity Internships – HB 1355**

Low-income high school students earn up to one year of SNG for completion of an internship program in a high demand field in high school.

## **WWU Mentoring program – HB 1986\***

WWU to develop a pilot mentoring program with area elementary schools and report to the Legislature.

## **American Indian Endowed Scholarship program – SB 5001**

Eliminates matching requirement and allows state monies to be deposited directly into the endowment account.

## **State Work Study provisions – SB 5044**

Limits the non-resident participation to 15%; enacts a “high demand” priority; expands resident definition.

# Related Legislation

## **Student Access Portal- SB 5043**

HECB to form work group to develop a plan for creating a comprehensive information portal for college academic, career, & financial planning.  
Report due December 2009.



## **Technical Colleges – HB 1328**

Authorized to offer transfer associate degrees.

## **Engineering Degrees – SB 5276**

All public institutions authorized to offer engineering degrees.

## **Workforce Development – HB 1394/HB 1323**

WTECB to develop comprehensive ten year plan & coordinate workforce and economic development.

## **Honorary doctorate degrees – SB 5173**

Regional institutions can confer honorary doctorate degrees.

# Related Legislation

## **Expanding Dual Credit – HB 2119**

Requires SBCTC, OSPI, HECB & others to evaluate & report on dual credit programs. Rules to govern college in the high school will be developed. OSPI & HECB will develop guidelines regarding impact of dual credit to financial aid eligibility. Running Start will pay other mandatory fees & institutions must make fee waivers available for low-income RS students (free & reduced price lunch).

## **Residency – HB 1487/HB 1474**

Includes as resident for tuition purposes certain Visa categories for guest workers. Specific colleges grant resident tuition rates to those from Oregon border counties.

## **Technology Transformation Task Force – HB 1946\***

Asked to examine online learning, student service and administrative tools, shared library resources, etc. & develop strategies

# FA & Related Legislation

## Re-vitalizing Financial Aid - HB 2021

- Requires institutions tuition billing statements and award letters for 2010-11 to label all forms (except federal loans) as *Opportunity Pathway*. Customization is allowed.
- Tuition billing statements must note potential eligibility for federal tax credits.
- HECB must label aid programs as *Opportunity Pathway*.
- Allows institutional aid monies to be used for high school dual credit students. Encourages institutions to review policies regarding aid for dual credit students to access financial aid.
- Creates the Higher Education Loan Program administered by HECB to create low-cost student loans and benefits (however, not funded for 2009-11).
- Eliminates EOG as a separate program. Adds “placebound” students who have completed an Associates degree as an eligible population within SNG (however, not funded for 2010-2011).

# Educational Opportunity Grant

## EOG program consolidated into SNG program

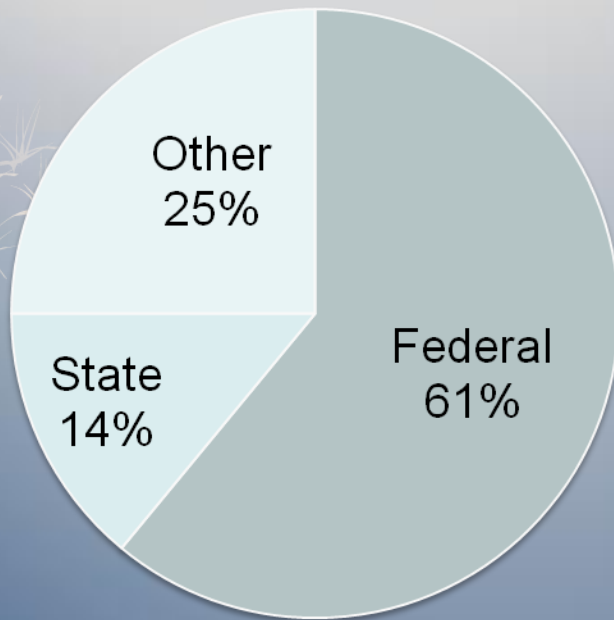
- Elimination of EOG as separately identifiable program
- As of 8/1/09, no new EOG awards may be made and all EOG awards must be used by 8/1/11
- Application deadline will be **July 15, 2009**
- Adds "placebound students" to the list of board criteria for awarding SNG, but not funded
- All students selected prior to August will be funded for the full two years



# Total Aid

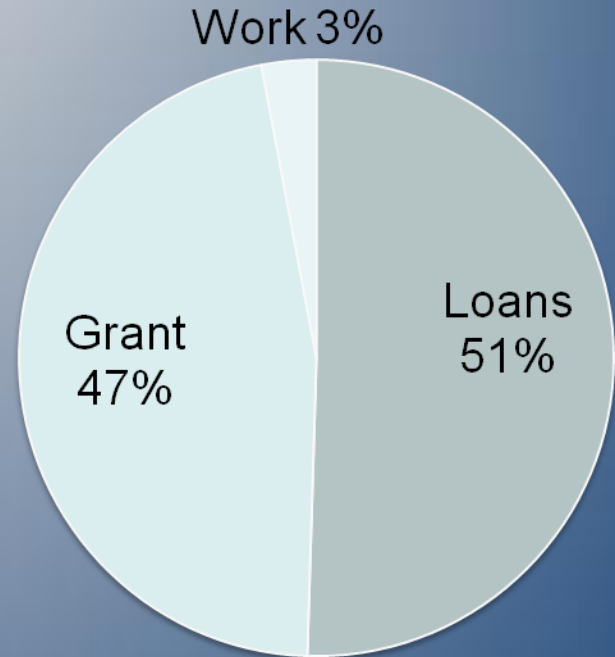
\$1.62 Billion to 135,000 students

## Financial Aid by Source



Federal	\$987 m
State	\$229 m
Other	\$409 m

## Financial Aid by Type



Loan	\$823 m
Grant	\$757 m
Work	\$ 44 m

Note: About a \$10 million and 3,000 student increase from 2006-07. Does not include aid disbursed by colleges and universities that do not participate in state aid programs; does not include all private loans.

# State Student Aid

Administered by the HECB

Student Aid	2007-2008	2008-2009
Total State Aid	\$216 million	\$236 million
Students Served	82,800	83,000 (est.)
Participating Schools*	99	99

\*68 schools participate in State Need Grant

# State Need Grant

	2007-2008	2008-2009
<b>Funding</b> 2007-08 includes federal match of \$1.2m	\$182 million	\$195 million
<b>Served Students</b>	70,085	71,000 (est.)
<b>Participating Schools</b>	68	68
<b>Students Not Served</b>	550 FTE	5,000 students (est.)
<b>Income Cut-off</b>	70% MFI (\$50,500 family of 4)	70% MFI (\$52,500 family of 4)

Note: Does not include less-than-halftime pilot project funding or students.

# State Need Grant Growth

## Service Level MFI Changes

2005-06 = 65% (from 55%)

2007-08 = 70%

## Research Tuition Increases

2002-03 = 16%

2003-04 = 7%

2004-05 = 7%

2005-06 = 7%

2007-08 = 7%

2008-09 = 7%



# State Work Study

	2007-2008	2008-2009
<b>Funding</b> 2007-08 includes federal match of \$.3m	\$20.7 million	\$21.8 million
<b>Students Served</b>	9,438	9,549 (est.)
<b>Participating Schools</b>	55	55
<b>Ratio of SWS recipients to all needy students (goal = 1 in 12)</b>	1 in 14	TBD
<b>Participating employers</b>	3,000	3,000

Note: In 2007-08 total student earnings were about \$26.4 million; the difference was funded through employer match.

# 2008-09 Trends

- **Greatest number of students served**
- **Highest funding & service levels achieved**
- **Increasing numbers of enrollments & applications**
  - 21% increase or about 33,000 FAFSAs
- **Expect 6,400 additional Pell recipients**
- **Expect to leave 5,000 SNG eligible students unserved in 2008-09**





# WA Scholars

- Funding to 7% & 14% tuition increases but reduced award amounts by 10%
- Awards determined mid-summer
- Estimated awards are below, assuming tuition is raised to maximum

Sector	Estimated Awards
UW	\$6,745
WSU	\$6,895
CWU	\$4,969
EWU	\$4,823
TESC	\$4,922
WWU	\$4,912
4-Yr Priv	\$6,895
CTCs	\$2,629

# WAVE

- Funding for the WAVE program was increased sufficiently to accommodate maximum tuition increases
- Assuming maximum tuition levels, estimated award amounts are below

Sector	Estimated Awards
UW	\$7,494
WSU	\$7,661
CWU	\$5,521
EWU	\$5,359
TESC	\$5,469
WWU	\$5,458
4-Yr Priv	\$7,661
CTCs	\$2,921
Prop	\$7,661

# Passport to College Promise

**Think you can't  
go to college?**

**Think again.**

The state of Washington has created the **Passport to College Promise** just for foster youth like you.

This new program is designed to encourage foster youth to prepare for and succeed in college.



**This is *your*  
Passport to College.**

Of 1,692 records reviewed, 539 eligible

61% via consent form or common application & 39% via FAFSA

148 students served

75% CTC, 16% public 4-year, 8% private 4-year, 1% private career

85% retention fall to winter; 80% winter to spring; 79% full-year

48 colleges created a "viable plan" for serving former foster youth. Participating colleges receive financial incentives for student success.

10 colleges took additional steps to enhance services for foster youth

Mentoring program

Text book loan program

Lunch program

Transition for graduates



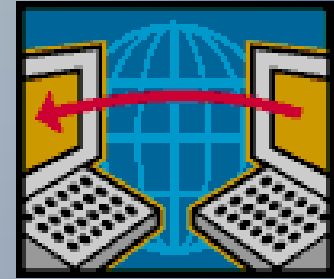
# Scholarship Clearinghouse



Coalition of NELA, Seattle Foundation, College Spark Washington, HECB & others

- Web-based tool to match Washington students to scholarships is currently under development
- HECB slated to maintain database of scholarships
- Marketing plan underway
- Scheduled to be available to students in late fall 2009

# WAFAX



Automated system to serve concurrently enrolled students

- Regional demonstrations provided (Seattle, Tacoma, Pullman, Spokane, Yakima)
- Access to live system available
- User Guide drafted
- Visit [www.hecb.wa.gov/wafax/wafax.htm](http://www.hecb.wa.gov/wafax/wafax.htm) for more information or contact Rachelle Sharpe at [rachelles@hecb.wa.gov](mailto:rachelles@hecb.wa.gov) or 360.753.7872.

# GET Updates

The state guarantees the money families save for college will keep pace with rising tuition.

- 106,414 total accounts – 15,700 this year
- 15,943 students eligible to use units in 2009-2010 academic year

